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AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING,
BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 8, 1927.

Vol. V, No. 1.

COOPERATIVE MARKETING SCHOOL IN GEORGIA

Incoming reports promise a large attendance for the school of cooperative marketing to be held at Athens, Georgia, January 25 to 28, 1927. This school will be under the auspices of the Georgia State College of Agriculture, in cooperation with the various marketing associations of the State and the Division of Cooperative Marketing of the United States Department of Agriculture. In addition to the attendance of the officers, directors and employees of several Georgia cooperatives, a number of organizations in other states plan to send representatives. The American Cotton Growers' Exchange has announced that its executive committee, composed of the general managers of twelve state-wide cotton marketing associations will attend the school.

The program is designed especially for directors and employees of cooperative associations, county agents and agricultural workers, bankers, farmers, and others interested directly in the operations of cooperative marketing organizations. Various phases of the subject will be discussed, emphasis being placed on problems in business management and membership relations. Most of the lectures will occur during the morning sessions, with round-table discussions in the afternoons. Evening sessions provide for the showing of the motion pictures on cooperative marketing produced by the Department of Agriculture. It is planned to arrange special conferences as they may be requested by particular groups.

The list of lecturers and speakers includes the Secretary of Agriculture, representatives of the Georgia State College of Agriculture, specialists from the Bureau of Agricultural Economics, of the United States Department of Agriculture, and the general managers of cooperative associations handling cotton, peaches, watermelons, apples, pecans, syrup, peanuts, and other commodities. A number of speakers will be on the program who are identified with the cooperative movement in other states.

The Georgia cooperative marketing school is the first to be held in which the Federal Division of Cooperative Marketing will take an important part under the provision of the Cooperative Marketing Act of 1926 which authorized cooperation between the Division, educational agencies, and cooperative associations in promoting the knowledge of cooperative principles and practices by educational methods.

Programs may be obtained by writing to the State College of Agriculture, Athens, Georgia.

TEN STATES ARE STRONG COOPERATIVELY

Approximately 60 per cent of the cooperative marketing activity in agriculture since 1915 has taken place in ten states. These states are, in the order of their relative importance, Minnesota, Iowa, Wisconsin, Illinois, California, Kansas, Nebraska, North Dakota, Michigan and New York. Sixty-three per cent of the functioning associations for the ten years, 1915-25 were located in these states. Almost one half of the total membership of cooperatives fell within the boundaries of these states and the associations credited to them handled more than 60 per cent of the total cooperative business for the ten years ending with 1925.

During the last five of the ten years a number of the southern states, in which large cotton and tobacco associations had been formed, enjoyed a truly remarkable growth in the matter of cooperative activity. However, the development was not sufficient to put them in the first ten for the ten-year period.

Three measures were used in selecting the leading states; namely, number of active associations, number of members and amount of cooperative business handled. Minnesota led all the states in number of active associations; Iowa was second; Wisconsin, third; Illinois fourth; and North Dakota fifth.

Minnesota also ranked first as to number of members of cooperatives. Iowa was second, Kentucky, Missouri, Illinois, third, fourth, and fifth, respectively.

In the matter of volume of business handled as measured in dollars, California led all the states; Minnesota was in second place; Iowa, third. Illinois, fourth; and New York, fifth.

A rough estimate as to the total business handled by the cooperatives in the ten leading states for the ten-year period is \$9,000,000,000. The California cooperatives transacted business estimated at \$1,700,000,000; the Minnesota cooperatives handled slightly over \$1,400,000,000 and the Iowa associations a trifle less than \$1,400,000,000. The estimated business transacted for the ten-year period for some of the other states was: Illinois, \$1,139,000,000; New York, \$777,000,000; Wisconsin, \$754,000,000; North Dakota, \$692,000,000; and Kansas, \$660,000,000.

The states which just missed being in the first ten, according to their relative rank, were, Ohio, South Dakota, Washington, Missouri, Texas, Pennsylvania, Kentucky, and Oklahoma.

If cooperation continues to develop during the next four years in accordance with the tendency which has prevailed since 1920 the line-up of leading states in 1930 will be slightly changed, but only slightly. Cooperation is so firmly established in what are now the leading states that it will require a phenomenal growth in what are the new cooperative states to displace any of the first four or five of the present leaders. There is considerable growth in cooperative activity in these old cooperative states as well as in the states which have recently become strongly cooperative because of the development of large-scale single-commodity organizations, such as the cotton, tobacco and wheat associations.

HOP ASSOCIATION HELPS STABILIZE ENGLISH MARKET.

The English Hop Growers' Association, formed in 1925 as a selling agency, issued its first report under date of September 1, 1926, according to a statement from the office of the American Consul General, London. On that date the entire 1925 crop had not been dispensed of. Sales had reached a total of £2,056,499; payments had been made to members to the amount of £1,886,236; factors' commissions were £82,172; expenses of crop, £52,885; administration expenses, £5,572; depreciation, £174; preliminary expenses, £244, leaving to be held on trust for growers, £29,424. It is reported that the association has aided materially in stabilizing prices in a time of heavy production and when stocks on hand were heavy. The organization is encouraging a reduction in acreage.

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CALIFORNIA PEACH GROWERS MAINTAIN A RESERVE

About 40,000 tons of cling peaches were marketed by the members of the California Canning Peach Growers, San Francisco, during 1926. The greater part of the total quantity was delivered to the canners in accordance with contracts made by the association. Approximately 7,400 tons of fruit were packed for the association. By the first of December, 75 per cent of the association's pack had been marketed.

This association was organized in 1922 to represent the growers of cling peaches in bargaining with the canners as to prices to be paid. The association represents about 1,200 growers with more than 13,000 acres of peach trees.

In addition to its collective bargaining activities the association directs the packing and marketing of a portion of the crop. In 1924, 237,713 cases of packed fruit were thus handled; in 1925, 353,589 cases; and in 1926, 334,000 cases.

The income of the association consists of annual dues, membership fees, an acreage charge, a service charge, interest on reserves, and a deduction of approximately 5 per cent of the amount paid growers. This deduction goes into a "withholding fund," and is available for use as working capital. In time the first deductions will be returned, thus giving the working capital account the character of a revolving fund. At the close of the 1926 season the reserve for working capital was \$202,733, made up of withheld amounts as follows: 1923, \$31,816; 1924, \$48,239; 1925, \$55,092; 1926, \$67,586.

The service charge which is the principal source of income for meeting the current expenses amounts to \$1.50 a ton and is collected from the canners. Total expenses for the 1926 season were \$65,211. Four field offices are maintained by the organization that the needs of the member-growers may be attended to promptly.

VIRGINIA EXCHANGE SERVES MANY MEMBERS

Shipments of produce for the 1926 season by the Southwest Virginia Cooperative Exchange, Rural Retreat, totalled 289 car loads, compared with 329 cars in 1925. A summary of the shipments and payments follows:

Commodity	Number of cars	Number of packages	Net to growers
Cabbage	243	51,077	\$46,199.62
Rutabagas	20	3,262	6,149.38
Potatoes	12	1,795	6,215.69
Apples	14	4,178	5,429.72
Beans	--	10	15.00
Total	289	60,322	64,009.41

It is stated that much cabbage was left in the field.

The organization reports total fixed assets of \$5,497, reserves of \$1,730, capital and surplus of \$5,740.

This exchange was organized in 1921 to serve about 800 members.

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COLORADO POTATO EXCHANGE IN FOURTH SEASON

Since its organization in 1923 the Colorado Potato Growers' Exchange, Denver, has marketed for its 21 member associations, 14,776 car loads of potatoes and onions. Total sales have amounted to more than \$11,000,000. Supplies to the value of nearly one-half million dollars have been purchased for members. The 21 local associations are serving approximately 2,300 potato growers, there having been an increase of 200 in membership since the formation of the exchange. The more important figures in connection with the growth of this marketing enterprise are given below:

Year ending June 30	Number of members/a	Shipments (Cars)	Sales	Supplies sold to members
1923-24	2,104	5,006	\$2,811,365	\$ 81,483
1924-25	2,234	4,110	2,226,838	179,109
1925-26	/b 2,312	5,660	6,407,132	232,831

/a Members of 21 local units. /b To May 3, 1926.

A warehousing corporation, capitalized at \$250,000 was created in June of 1925 to serve the Exchange and its members in handling the yearly crops. Warehouses have been leased or built at important shipping points. These are equipped for the economical handling of potatoes.

NEW GRAPE ASSOCIATION IN CALIFORNIA

Articles of incorporation of the California Vineyardist Association were signed under date of November 8, 1926. The purposes of the new organization are, "To develop, safeguard and advance the interests of vineyardists of the state of California."

The principal office of the association will be at Fresno. Thirty directors have been selected to serve terms of one, two and three years and thereafter terms of three years. The association is without capital stock. Membership is open to any person, firm, or corporation, growing grapes in California. An entrance fee of \$1 is required, also annual dues of \$1. The board of directors is without power to levy assessments.

There is an advisory board of 79, its members representing the eight districts into which the state has been divided according to the number of cars shipped.

The association is to serve as a clearing house for the various agencies directly interested in the marketing of grapes. While the association will not handle grapes, it hopes "to make it safer for the cash buyer to put his money, and more of it, into the purchase of grapes and to make it easier for the consignment company and cooperative association to return larger amounts to their patrons and members and to avoid red ink."

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CALIFORNIA FRUIT EXCHANGE MAKES REFUNDS

Member associations of the California Fruit Exchange, Sacramento, received approximately \$420,000 in refunds during November and December of 1926. These consisted of the second refund on the 1925 crop and the third and final refund of the 1921 crop.

As shipments are made during the marketing season, seven per cent of the gross delivered sales is deducted to meet expenses and to constitute a "withholding" account, later to be refunded. As the operating expenses have not in any of the past nine years exceeded three per cent, there has been about four per cent available each year for refunding.

Refunds are made in three payments, the first, consisting of one per cent of gross delivered sales, shortly after the close of the shipping season; the second, also one per cent, about a year after the close of the season; and the third and final refund of about two per cent at the end of the fifth season.

As an amount equal to approximately four per cent of each season's gross delivered sales goes into refund accounts, there is a fairly constant flow of money into and out of these accounts. The net amount on hand constitutes a revolving fund which is used in making advances to growers, purchasing supplies, meeting pay rolls and establishing credit with banks.

The Exchange is a federation of more than 100 local associations handling deciduous fruits, largely grapes, peaches, pears, plums, etc. It was formed in 1901 and is now marketing about 10,000 carloads of fruit a year.

UNITED GRAIN GROWERS WILL RETAIN ELEVATORS.

It was decided at the annual meeting of the United Grain Growers, Ltd., held at Calgary, Alberta, December 1, 2 and 3, 1926, not to sell the elevator system belonging to the organization to the three provincial grain pools. This decision was reached after more than a day given to a consideration of the matter. It was decided to cooperate as far as possible with the grain pools and the board of directors was given authority to lease elevators to the pools where by so doing the interests of the grain growers would be best served. Furthermore, in exceptional cases, in the judgment of the board of directors, individual elevators might be sold.

The annual meeting was attended by 350 delegates representing 36,000 shareholders. It was reported by the management that 43,000,000 bushels of grain had been handled during the 1925-26 business year; that 382 country elevators had been operated and that the profit for the year was \$676,378. It was further reported that a shareholders' dividend of 8 per cent amounting to \$233,277 had been paid, also a patronage dividend of one cent a bushel on street grain. Share capital was reported as amounting to \$2,920,620 and all reserves as amounting to \$3,276,049.

The management also reported that an appraisal made during the year by an appraisal company showed the fixed assets of the company to be worth \$1,400,000 more than the amount at which they are carried on the books of the organization.

The purchases made by the organization for its members included 82,000 tons of coal which was delivered at 429 points, 21,500 spools of wire fencing, and 9,000,000 pounds of binder twine. Flour was purchased and sold at 249 points.

The 382 elevators under the control of the organization are located in the three provinces as follows: Alberta, 186 elevators; Manitoba, 122; and Saskatchewan, 74. All of these are owned by the company except 19 in Manitoba which are leased from the Provincial Government.

The company controls a terminal elevator on the Pacific Coast, also several large elevators at the head of the lakes.

The predecessor of the present company, the Grain Growers' Grain Company, Ltd., began operating in 1906. The first year it handled 2,340,000 bushels of grain. In 1917 the Grain Growers' Grain Company, Ltd., and the Alberta Farmers' Cooperative Elevator Company, Ltd., were combined to form the present United Grain Growers, Ltd.

A considerable portion of the business of the organization is done through subsidiaries. These include two export companies, a security company and a company for issuing the Grain Growers' Guide which has a circulation of 86,000.

(Additional information regarding the United Grain Growers, Ltd., will be found in Agricultural Cooperation for March 2, 1925, p. 95 and April 12, 1926, p. 161.)

DAIRYMEN'S LEAGUE ISSUES PRINTED REPORT

"Story of the year, 1925-26" is the title of a 42-page pamphlet issued by the Dairymen's League Cooperative Association, Inc., New York City. The "Story" covers the activities of the association for the business year ending March 31, 1926. There are included within the pages of the pamphlet the annual address of the president of the association, a list of its officers and directors, a copy of the condensed balance sheet as of March 31, 1926, statistical statements regarding quantities of milk handled and deductions for expenses of operation, and several pages of material regarding the purpose, problems and goal of the association's field service, with suggestions for programs by local associations.

Some of the significant facts regarding the 1925-26 business year have already been given in Agricultural Cooperation. (July 19, 1926, page 301.)

Milk receipts for the year amounted to 2,421,399,136 pounds; total sales were \$66,632,884 and producers received an average net pool price of \$2.12 per 100 pounds of milk of 3 per cent butterfat test at 201 to 210 miles from New York City. Deductions for expenses for the year were 6.69 cents for each 100 pounds of milk. Ten cents additional per 100 pounds was deducted for the revolving fund. At the close of the year the association was operating 169 milk plants, and its members were grouped for organization purposes in 825 local associations.

The Dairymen's League Cooperative Association, Inc., began operating as a pooling organization, May 1, 1921. In five years the investments in land, buildings and equipment increased to more than \$7,000,000.

Fixed assets and capital invested as shown by figures compiled from annual reports for the past five years are as follows:

Fiscal year/a	Land, buildings, equipment	Certificates of indebtedness	Deductions for capital/b	Total indebtedness to members for capital
1921-22/c	/d \$3,535,774	\$1,148,338	\$4,307,727	\$5,456,065
1922-23	/d 5,059,390	5,261,791	4,622,580	9,884,371
1923-24	/d 5,872,690	9,684,624	2,562,716	12,247,340
1924-25	/d 6,929,788	10,855,831	1,762,570	12,618,401
1925-26	/d 7,296,908	9,870,410	2,269,059	12,139,469

/a Ending March 31. /b To be covered by certificates of indebtedness

/c Began pooling May 1, 1921. /d Depreciation for buildings and equipment deducted.

The following tabulation of data from the annual reports show the number of marketing contracts in force, the quantity of milk handled

in plants operated by the association and total quantity under control of the organization:

Fiscal year/a	Number of contracts in force/b	Milk handled in League plants		Total milk handled (Pounds)
		(Pounds)	(Relative)	
1921-22	50,843	391,167,452	100	4,019,229,879
1922-23	65,050	793,040,638	203	3,735,998,307
1923-24	64,251	720,331,348	184	3,095,706,972
1924-25	63,746	731,918,516	187	2,623,764,617
1925-26	64,637	694,781,474	178	2,421,399,136
1926-27	63,420			

/a Ending March 31. /b At beginning of fiscal year.

The sales year by year for milk delivered direct to dealers and for milk handled in the association's own plants are given below:

Fiscal year /a	Sales to dealers	Sales from League plants	Total sales	
1921-22/b	\$53,006,293	\$ 8,937,540		\$61,943,833
1922-23	59,702,496	22,428,506		82,130,902
1923-24	50,044,953	25,087,515		75,132,468
1924-25	38,504,481	26,544,414		65,048,895
1925-26	40,350,757	26,282,127		66,632,884

/a Ending March 31. /b Began pooling May 1, 1921.

During the early years a considerable portion of the milk received was manufactured into condensed milk, cheese and butter, the sale of which products increased the total sales because selling prices included the costs of manufacturing and merchandising. To-day the greater part of the milk is sold as fluid milk.

The average gross pool price for the past five years, deductions for expenses, and payments to producers in cash and certificates of indebtedness, are as follows:

Fiscal year/a	Average gross pool price /b	Deductions for expenses	Paid producers		
			In cash	Certificates of indebtedness /c	Total
1921-22	\$2.0100	\$0.0500	\$1.7920	\$0.1680	\$1.9600
1922-23	1.9000	.0695	1.6929	.1376	1.8305
1923-24	2.1000	.0871	1.9172	.0957	2.0129
1924-25	1.8979	.0832	1.7400	.0747	1.8147
1925-26	2.1889	.0669	2.0220	.1000	2.1220

/a Ending March 31. /b Per 100 pounds, 3 per cent milk in 201 to 210 zone. /c Bearing 6 per cent interest and payable in 5 years.

STUDY MADE OF LIVESTOCK MARKETING IN ENGLAND

"The Marketing of Farm Produce, Part I. Live Stock." Oxford University Press, 1926, is a contribution from the Agricultural Research Institute of the University of Oxford. The study was conducted on the theory that, "If greater efficiency in the marketing of farm products is to be achieved, it can only follow as the result of a careful study of existing methods and of the farmer's needs and circumstances, combined with processes of education and suggestions which will lead him to take in hand such reform of prevailing practice as this study appears to warrant."

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OPERATIONS OF COOPERATIVE LAMB POOL

Range lambs to the number of 144,707 were received, loaded and shipped through the lamb pool operated by the National Stock Producers' Association, Chicago, during the period from August 15 to October 15, 1926. These lambs came from points in Nevada, Montana, Wyoming, Colorado, New Mexico and Texas, and 124,914 of them were shipped to 342 feeders in Illinois, Indiana, Iowa, Michigan, Missouri, Ohio, Nebraska, South Dakota, Minnesota, Kansas and New York. The remaining 19,783 head were shipped to market as not suitable for orders.

Range growers received for these lambs a total of \$962,965 and the patrons of the pool paid \$996,824 at loading point, which amount covered lambs, insurance and commissions. Freight amounted to \$85,373, feed cost \$9,984, and commissions came to \$6,240.

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CALIFORNIA HOGS SOLD AT AUCTION

Hog sales by the California Farm Bureau Marketing Association, Bakersfield, for its eighth year amounted to slightly more than \$700,000. Approximately 30,000 hogs were sold during the year at 144 sales. Hog producers in six counties are served by the association. From three to five sales are held each week according to a schedule prepared a year in advance. The general plan for conducting the sales is for the farmers to deliver their stock in the morning. The hogs are weighed and graded into carload lots for sale by the auctioneer about noon. Buyers settle with the association for their purchases and the association settles with the original owners. A deduction of about two per cent is made by the association which covers all expenses for conducting the sales and maintaining the association office. As expenses vary from year to year the deduction is adjusted. A revolving fund of \$4,500 furnishes working capital.

IOWA FARMERS START COOPERATIVE POULTRY MARKETING

Iowa has a new poultry cooperative association, the Osceola County Cooperative Poultry Marketing Association, operated under the auspices of the Farm Bureau, in connection with a local creamery. Dressing operations are being conducted in temporary quarters but plans are being made for the equipment of an adequate packing plant. The poultry is shipped to New York with the butter from the creamery. A motor truck collects the poultry from the farms, having a regular route for each day of the week.

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A NEW PLANT FOR WASHCOEGG ASSOCIATION

Announcement has been made by the management of the Washington Co-operative Egg and Poultry Association, Seattle, of letting a contract for a new headquarters building. It is estimated that the completed structure and equipment will represent an investment of about \$250,000. The main portion of the building will be reinforced concrete construction. Equipment sufficient for handling 10,000 cases of eggs a week will be installed. This equipment will include a power conveyor system, a modern ventilating system and a cold storage unit. The top floor of the new building will be fitted for handling poultry.

Over 250 members of the association attended recently one of the one-day schools being held in the producing areas. Among the subjects considered were, "Marketing Facts" and "Poultry Problems."

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SAN DIEGO POULTRY PRODUCERS RELIEVED OF COMPULSORY DELIVERY

Members of the Poultry Producers of San Diego, San Diego, Calif., are to be relieved of compulsory delivery of their eggs to the association. After a careful consideration of the matter by the board of directors, a meeting of the membership was called, at which meeting the members present voted unanimously in favor of placing the association on a purely competitive basis, eliminating the requirement that the members deliver all their product to the association.

This action was precipitated by a "buyers' war" which has continued for some time. Handling costs and profits have frequently been ignored. As only producers outside the association have been in a position to take advantage of some of the high prices which have been offered, there has been dissatisfaction.

As the association is in a position to adjust itself to increased or decreased receipts, no serious consequences are anticipated. The management advises all producers selling to others than firms of known financial standing to insist upon cash payments on delivery.

ARKANSAS COURT HOLDS MEMBER MAY ENJOIN ASSOCIATION

On October 11, 1926, the Supreme Court of Arkansas decided the case of McCauley v. Arkansas Rice Growers' Cooperative Association, 287 S. W. 419. It appears that Mr. McCauley instituted a suit for a receiver of the association and for other relief and from time to time thereafter other members of the association joined in the suit until 118 members appeared as plaintiffs. The receiver for the association was sought on the ground that the association had violated the terms of the "marketing agreement" and for alleged mismanagement. The lower court refused to appoint a receiver but decided some of the propositions raised by the plaintiffs in their favor and some in favor of the association. As a result, the plaintiffs appealed and the association also appealed.

The lower court held that the fact that the officers of the association had violated the terms of the marketing agreement did not relieve the plaintiffs from carrying out the terms thereof, but held that the association would be enjoined from seeking to collect penalties from the plaintiffs for alleged breach of their contracts; as to the future, the trial court held that the plaintiffs would be required to perform specifically their contracts. The Supreme Court affirmed the judgment of the lower court with respect to these matters. That court refused to apply the rule "that the one who first breaks a contract cannot maintain a suit to recover upon it and that the failure of one party to comply with the contract releases the other party from performance." On the contrary, the court held that

Appellants signed the "marketing contract" with the other members of the association. Hence, appellants' agreements were made in consideration of like agreements of the other members and for their mutual advantage. If appellants could be absolved from the performance of the contract because the officers of the association had committed breaches of the contract in certain respects, it is certain that the other members of the association would suffer by this course. The action of the appellants in rescinding the contract would tend to cripple the association and thereby harm the other members of it.

Paragraph 6 of the marketing agreement provides as follows:

The association agrees to resell such rice, together with rice of like variety, grade, and quality, delivered by other growers under similar contracts, at the best prices obtainable by it under market conditions, and to pay over the net amount received therefrom

(less freight, insurance, and interest) as payment in full to the grower and growers named in contracts similar hereto, according to the rice delivered by each of them, after deducting therefrom, within the discretion of the association, the costs of maintaining the association, and costs of handling, cleaning, grading, processing, and marketing such rice, and of reserves for credits and other general purposes, said reserves not to exceed two per cent of the gross resale price. The annual surplus from such deductions must be prorated among the growers delivering rice in that year on the basis of the deliveries.

The trial court held that the provisions in the paragraph just quoted providing for a deduction of not to exceed two per cent from the gross resale price of rice for reserves for credits and other general purposes did not authorize the association to retain money so deducted for use as a permanent reserve, but that the association at the end of the year was obliged to return all of such reserves remaining on hand. This conclusion appears to have been based on the last clause of paragraph 6 which reads, "The annual surplus from such deductions must be prorated among the growers delivering rice in that year on the basis of the deliveries." The Supreme Court reversed the judgment of the trial court on the matter just referred to, holding that the language in question authorized the use of the money as a continuing and permanent reserve. In this connection, the court said:

The success of the association in accomplishing the purpose of its organization depends upon its continued existence. The accumulation of a moderate reserve will enable the directors to have at their disposal a sum to be used whenever occasions of sufficient urgency arise. It is pointed out that this is the usual practice in commercial undertakings, and it is equally desirable in cooperative ventures.

A majority of the court adopted this view which was based upon the construction of paragraph 6, but it is to be noted that two of the justices held that the language in question had been correctly construed by the trial court. In this connection the dissenting justices said:

We think the words "annual surplus" refer to a sum to be kept by the association, after the sale of the rice and payment of the proceeds of sale to the rice growers, until the final close of the season, in order to meet unforeseen liabilities which might arise from the conduct of that year's business.

A question was raised regarding whether the contract authorized the association to pool "rice in the clean" and it was held that under the terms of the marketing agreement the association was authorized to pool rice in the rough or after it had been cleaned. The contract authorized the association to borrow money on rice which it received from its members and in this connection the court said: "The association shall prorate the money so received among the growers equitably as it may determine for each district and period of delivery."

The lower court held that under this language the association was authorized to pay off a mortgage which a member had executed on his rice if "in good faith it believed the value of the rice to exceed the mortgage." The court further said:

It was also rightly held that, if the rice was sold for less than the amount of the mortgage, the loss must be borne by the mortgagor. In this connection, it may also be stated that the chancellor properly held that in making advances the association should do so to all the members at the same percentage, or, if this was not done, the member should pay interest on the amount of advances received.

It appeared that

During the first year of its operation, the association handled rice for persons who were not members as well as for those who were members. It sold a large amount of rough rice, which was not pooled, on which it charged a commission of 10 per cent. As we have already seen, the association had no right to handle the rice of persons who were not members of the association, and no right to sell rough rice without pooling it, and no right to sell rice on commission.

In connection with the matters just referred to, the Supreme Court held that "any member of the association could have obtained an injunction stopping it." It is believed that this is the first co-operative case in which a court of last resort has pointed out that a member of an association is entitled to an injunction to restrain the association from engaging in activities not authorized by its charter or which are not in harmony with its marketing agreement.

L. S. Hulbert.

EASTERN STATES LEAGUE STUDIES CONSTITUENT SOCIETIES

A survey of consumers' cooperative societies in the Eastern States, made by the Eastern States Cooperative League, New York City, shows 133 Societies, of which 45 are in Massachusetts, 30 in up-state New York, 14 in Maine, 14 in New Jersey, 12 in New York City and Brooklyn, 8 in Connecticut, 5 in New Hampshire, and 3 in Rhode Island. These figures do not include housing associations, credit unions, nor insurance mutuals.

Classified according to membership, only 4 have more than 1,000 stockholders, 7 have between 500 and 1,000 stockholders, 47 between 100 and 500, 24 have fewer than 100 stockholders, and the remainder failed to report.

Classified by volume of business transacted in 1925, the results are as follows: 7 transacted business of more than \$250,000 each; 10 ranged between \$100,000 and \$250,000; 26 between \$50,000 and \$110,000; and 37 below \$50,000. Forty-four societies made gains during the year; 12 met with losses, 4 "broke even," and the others failed to report.

The largest gain made by any of the societies was \$27,000 which was reported by the society with the greatest volume of business, \$422,518; and the largest loss for the year was \$12,000 reported by an association transacting business to the amount of \$60,000.

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COOPERATIVE BUYING IN CANADA

Figures for 16 purchasing associations affiliated with the Cooperative Union of Canada have been compiled for 1925. Six of the associations were located in Saskatchewan, three in Alberta, three in Ontario and two each in Nova Scotia and British Columbia. These organizations had a membership in 1925 of 7,308. The outstanding share capital was \$354,970 and the reserves amounted to \$151,791. Sales for 1925 were \$2,792,872. Net profit for the year was \$158,140; dividends on purchases were paid to the amount of \$118,945. Four associations paid 8 per cent interest on capital, 5 associations 6 per cent; 5 associations 5 percent; and one association 4 per cent.

The purchases included groceries, meats, dry goods, boots and shoes, hardware, crockery, harness, implements, twine, lumber, fuel and oil.

In addition to collective buying, six of the associations shipped livestock; one, hides, butter and eggs; another, wood, railroad ties and blueberries. Shipments were valued at more than \$400,000.

The sixteen associations had operated for 137 years, an average of about eight and one-half years each. The oldest association has been active for nearly twenty years, and the youngest for two years. There are many other purchasing associations in Canada besides those included in these statistics.

COOPERATIVE LUNCHEON SERVED BY FARM BUREAU FEDERATION

A cooperative luncheon, attended by 750 delegates and guests, was an outstanding feature of the eighth annual meeting of the American Farm Bureau Federation, in Chicago, early in December. All the food served at the luncheon was secured from cooperative marketing associations, including the following: Florida Citrus Exchange; Lindsay Ripe Olive Company; Michigan Potato Growers' Exchange; Vermont Maple Products Cooperative Exchange; California Fruit Growers' Exchange; Utah Poultry Producers' Cooperative Association, Inc.; Sun Maid Raisin Growers of California; Land O'Lakes Creameries, Inc.; California Walnut Growers' Association; Illinois Fruit Growers' Exchange; Quincy Cooperative Milk Producers' Association, Illinois; Simpson Orchard Company, Indiana; Mesa Lettuce Growers' Association, Arizona; Central States Soft Wheat Growers' Association; National Pecan Growers' Association.

Another feature of the luncheon was the presence of 60 outstanding leaders of cooperative marketing, each of whom had contributed a brief statement on the fundamental principals of the movement. The reading of these statements by several speakers formed the speaking program of the luncheon.

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FIFTH COOPERATIVE CONSUMERS' CONGRESS HELD

The Fifth Cooperative Congress, held in Minneapolis, November 4-6, 1926, under the auspices of the Cooperative League of America, was attended by 64 regular voting delegates representing 132 affiliated societies, and 38 fraternal delegates. In spite of the small attendance it was considered "a more representative congress than any of the four previous congresses of the League." Reports were presented by each of the four district leagues affiliated with the national organization.

The second day was reserved for educational discussions and the following subjects were considered: What kind of educational work can be carried on inside the cooperative store? Uniformity of cooperative accounting, Relation of cooperative insurance to our distributive movement, Should the League throw its support to the credit union movement? and What should be the relation of the Cooperative League of the U. S. A. to the cooperative marketing movement?

A committee was appointed to study cooperative insurance in this country and abroad and make recommendations, another committee on national accounting and auditing problems, and another on organization of a national cooperative correspondence school.

These congresses are held once in two years.

ONTARIO COOPERATIVE SERVES IN MANY WAYS

A net trading profit of \$72,378 is reported by the United Farmers Cooperative Company, Ltd., Toronto, Ontario, for the year ending September 30, 1926. This profit was accumulated on supplies bought, livestock handled, butter made and marketed, and also eggs marketed.

The supplies purchased for members included, coal and coke, 22,700 tons; binder twine, 2,500,000 pounds; woven wire fence, 80,000 rods; cedar posts, 50,000; and cable, 20,000 feet. Also a car load of manila rope, and large quantities of shingles, roofing material and cement.

The livestock commission department handled 6,641 cars of stock during the year which had a sales value of \$11,066,511. The receipts included, cattle, 69,683; calves, 33,319; hogs, 207,489; sheep, 54,109.

The creamery branch reported the making of 2,895,324 pounds of butter for the year. Patronage refunds amounting to \$77,000 were made, these being on the basis of 3 cents a pound on butterfat.

More than 300 cars of hay, straw and potatces were marketed for members of the company.

Announcement is made that a grain pool for Ontario will be operated the coming season.

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COOPERATIVE BUYING BY LAND O' LAKES CREAMERIES

Creamery and farm supplies to the value of 1,600,000 were sold by The supply department of the Land O'Lakes Creameries, Inc., Minneapolis, Minn., during the year ending August 30, 1926. Sales were made to 1,200 customers. The department is maintained largely to buy collectively the machinery and supplies required by the 470 creamery associations which have federated for mutual benefit.

Sales during the several years that the supply department has been operated are as follows:

Year ending August 30	Sales	
	Amount	Relative
1923/a	\$ 440,559	100
1924	1,114,769	253
1925	1,438,860	327
1926	1,671,764	379

^(a) / a From January 1, 1923, to August 30, 1923.

Patronage refunds amounting to \$362,358 were made during the four years.

REPORTED BY THE ASSOCIATIONS

Each of the four principal cotton growing sections of Algeria has a cooperative association which operates gins and presses. One organization was founded in 1908, the others are of very recent origin.

A motion picture film showing many of the activities of the Saskatchewan Cooperative Poultry Producers, Ltd., Regina, will be one of the features of the World's Poultry Congress to be held at Ottawa in July, 1927.

A one-day school for directors, councilmen and officials of the locals of the Ohio Poultry Producers' Cooperative Association, Wauseon, is scheduled for January 11. Among the subjects to be considered is the responsibility of the association member in the relationship existing between production and marketing.

Growers of citrons on the Island of Corsica have recently organized a cooperative society in order that they may be able to control the sale of this fruit, according to a report from the American Consul at Marseille, France. They intend to make the fruit available first to French dealers and importers, as dealings with Italian importers at Leghorn, where the candied citron peel industry is centered, have been unsatisfactory. It is stated that Corsica produces about one-third of the world's supply of citron.

An attempt is being made by the Scottish Agricultural Organization Society and the National Farmers' Union of Scotland to induce all wool producers in Scotland to join the Scottish Wool Growers, Ltd., a new company organized to sell wool direct to mills, to export, to warehouse, to grade wools, and to handle sheepskins. The wool will not be pooled but each consignment sold on its merits. Headquarters will be in Edinburgh.

Argentina, through legislation recently enacted for the encouragement and assistance of agricultural cooperative associations has provided for loans which may be made with or without amortization provisions. Loans may be granted to cooperatives for the purpose of building warehouses, granaries, elevators, for installing dairy and other industries, also for the purchase of farm land or for the construction of homesteads. The law further provides that cooperatives may be exempt from certain taxes.

A board of mediation has been working in Sweden to prepare a plan for reconciling differences between the sugar beet growers and the sugar factory management, according to a recent consular report. A five-year agreement between the Central Association of Beet Growers and the Swedish Sugar Manufacturing Corporation has now been prepared, designed to regulate the prices of beets and other conditions from 1927 to 1931, inclusive. The report states that the plan must be accepted in its entirety by the two parties or totally rejected.

SEND IN ANNUAL REPORTS

Officers of cooperative associations are urged to forward copies of reports covering the 1926 business year, and copies of financial statements, for inclusion in the collection of source material dealing with co-operation among farmers. They are also urged to send copies of any revisions which may have been made of by-laws or marketing contracts. Address the material to Division of Cooperative Marketing, Department of Agriculture, Washington, D. C.

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COOPERATION AND FOLK HIGH SCHOOLS

Cooperation is the subject of one of the chapters in the recently issued volume entitled "The Folk High School of Denmark and the Development of a Farming Community," from the Oxford University Press, London. Near the close of the chapter the author says, "In one sphere after another of Danish agriculture cooperative ideas have victoriously won their way. A Danish farm is now connected with a net-work of cooperative organizations. The numerous threads by which a modern agricultural undertaking is linked economically with the world around are almost all spun by a cooperative organization."

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BRITISH COOPERATIVE UNION ISSUES NEW JOURNAL

"The Cooperative Review" is the new organ of the Cooperative Union, Manchester, England, a national association of cooperative societies. This organization is designated as the "missionary, organizer, and adviser of the cooperative movement in Great Britain and Ireland." The new journal is to be published at intervals of two months. No. 1 appeared in August, 1926. Its threefold purpose is stated as follows:

It will, first of all, be the official journal of the Cooperative Union, and serve the cooperative movement as a regular means of communication between the Union and its own members. In the second place, it will be a medium through which original information on different aspects of cooperative work will be disseminated And last, but by no means least, it will, within the limits of its space and circulation, provide an opportunity for the expression of original ideas and new proposals, the discussion of current questions and the formulation of opinion on public affairs which affect cooperative societies, and in which all active cooperators are keenly interested.

SELECTED LIST OF PUBLICATIONS AND ARTICLES

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Hubbell, George H. What Cooperation Really Means. National Farmers' Advocate, Washington, December, 1926, p. 13.

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Lompson, Bruce. Annual Report of General Manager of Colorado Wheat Growers' Association for 1925 Pool Year. 30 pp. Denver, 1926.

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Marvin, Fred A. Cooperative Marketing of Wheat. Extension Division, Bulletin No. 46. University of North Dakota, 15 pp. Grand Forks, N. D., July, 1926.

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Peteet, Walton. Are Cooperative Marketing and Surplus Control Legislation Competitive Remedies? Wheat Grower, Grand Forks, N. D., December 15, 1926, p. 8.

Province of Ontario. Report of the Agricultural Enquiry Committee on Marketing of Agricultural Products. Second Report, Cooperation and National Marketing. 27 pp. Toronto, Clarkson W. James, Printer to the King's Most Excellent Majesty, 1926.

Teague, Charles C. Progress of 1926 in Distribution of California Citrus Crop. California Citrograph, Los Angeles, December, 1926, p. 45.

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